GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1703
ANSWERED ON:12.12.2003
REVISION OF NORMS FOR IMPORT OF STEEL
SRIPRAKASH JAISWAL

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of the existing norms governing the import of steel for use in the domestic market;

(b) whether the existing norms for import of steel are responsible for the soaring steel prices;

(c) whether the Government have decided to simplify the existing norms in order to boost import of steel for use in the domestic market and to yield way for reduction in steel prices; and

(d) if so, the reasons for delay in implementing the revised/modified norms for import of steel?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI S.B. MOOKHERJEE)

(a) to (d) Quantitative restrictions on import of a large number of items have been removed in accordance with the policy of economic liberalization and the country`s international commitments. Mandatory Indian quality standards as applicable to domestic goods were imposed on import of all products as per the Appendix III to Schedule I of ITC (HS) Classification of Export and Import items.

There has been no general increase in the domestic prices for steel during the last three months as compared to the prices prevailing in August, 2003. The main reason for the rise in steel price upto August `2003 has been the global increase in the demand for steel. The domestic prices have followed the general pattern of international prices. The increase in demand from the domestic steel consuming industries had further reinforced the upward movement of prices. Sharp rise in the cost of metallics and certain other critical inputs like iron ore, coal, coke, nickel and ferro alloys had also contributed to the rise in prices.

Ministry of Steel has withdrawn the quality specifications on steel vide Public Notice 1 dated 28th October 2003. DGFT has also issued a Notification withdrawing the quality standards on import of steel items.